



OHIO AUDITOR OF STATE
KEITH FABER



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BASIC AUDIT REPORT

Sarah Deringer, Fiscal Officer
Jackson Township
Hardin County
4389 County Road 205
Forest, Ohio 45843

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of Jackson Township, Hardin County, (the Township) for the years ended December 31, 2023 and 2022.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code Section 117.11(A). Because our procedures were not designed to opine on the Township's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Township's financial statements, transactions or balances for the years ended December 31, 2023 and 2022.

The Township's management is responsible for preparing and maintaining its accounting records and related documents. Our responsibility under Ohio Rev. Code Section 117.11(A) is to examine, analyze and inspect these records and documents.

Based on the results of our procedures, we found the following significant compliance and accounting issues to report.

Current Year Observations

1. We noted that the December 31, 2023 bank reconciliation included an other adjusting factor of \$7,234. This variance was the result of an error made by the Township when recording an audit adjustment for the audit of the years ended December 31, 2017 and 2016 which carried forward through subsequent years. On October 25, 2024, a correcting adjustment was recorded to eliminate this variance. Variances on the bank to book reconciliations should be resolved in a timely manner.
2. We noted that the Township received Coronavirus State and Local Fiscal Recovery Funds in the amount of \$26,975.91 in 2022 and recorded this money in the General Fund. **Ohio Rev. Code § 5705.10(D)** provides in part that all revenue derived from a source other than the general property tax and which the law prescribes shall be used for a particular purpose, shall be paid into a special fund for such purpose. The failure to establish a separate fund increases the risk of the illegal spending of the restricted receipts. The Township should establish a special fund for all restricted receipts. No adjustment is required to be made to the accounting records since the balance of the grant receipts were expended in 2024 by transferring the money to the fund that incurred the related expenditures.

Current Status of Matters Reported in the Prior Engagement

In addition to the matter reported above as observation 1, the prior Agreed Upon Procedures (AUP) engagement for the years ended December 31, 2021 and 2022 also reported exceptions for, a property tax receipt recorded at net instead of gross; the net underpayment between both years of the fiscal officer, and the underpayment of all trustees for both years; the violation of Ohio Revised Code Section 5705.41 (D) due to two instances in 2021 and four instances in 2020 where the certification date was after the vendor invoice date and there was no evidence that a *Then and Now Certificate*; and the violation of Ohio Revised Code Section 149.43 (E)(2) due to a lack of a public records policy. These exceptions were corrected for the current engagement period.



Keith Faber
Auditor of State
Columbus, Ohio

October 30, 2024

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JACKSON TOWNSHIP

HARDIN COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 11/12/2024

65 East State Street, Columbus, Ohio 43215
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This report is a matter of public record and is available online at
www.ohioauditor.gov